THK
The Mark of Linear Motion

May 18, 2009

Consolidated Financial Results for the Year Ended March 31, 2009

Company Name	:	THK CO., LTD.
Head Office	:	Tokyo, Japan (Tel: +81-3-5434-0300)
URL	:	http://www.thk.com/
Stock exchange listing	:	Tokyo Stock Exchange-First Section
Code number	:	6481
Representative	:	Akihiro Teramachi, President and CEO
Contact	:	Hideyuki Kiuchi, Director and General Manager of Corporate Strategy Department
Scheduled date of the general shareholders' meeting		June 20, 2009
Scheduled starting date of dividend payment		June 22, 2009
Scheduled date of filing the Securities Report (Japanese version only)		June 22, 2009

1. Consolidated Operating Results and Financial Position as of and for the year ended March 31, 2009 (April 1, 2008 to March 31, 2009)

(1) Consolidated Operating Results

Year ended March 31 (Millions of Yen)	Net Sales		Operating Income		Ordinary Income		Net Income	
2009	¥179,269	(14.1)%	¥8,523	(68.4) %	¥8,329	(69.2) %	¥1,204	(93.4) %
2008	208,708	19.5	26,937	(15.3)	27,026	(22.7)	18,323	(12.9)

Year ended March 31 (Yen)	Net Income Per Share-Basic	Net Income Per Share-Diluted
2009	¥9.36	¥ —
2008	139.53	138.74

Year ended March 31	Return on Equity (Net income / Shareholders' equity)	Return on Assets (Ordinary income / Total assets)	Operating Income / Net Sales
2009	0.7%	3.3 %	4.8 %
2008	9.7	10.2	12.9

(Note) Equity earnings (losses) of affiliates	*As of March 31, 2009:*	*¥(45) million*
	As of March 31, 2008:	*197 million*

(2) Consolidated Financial Position

	Total Assets (Millions of Yen)	Net Assets (Millions of Yen)	Net Worth Ratio (%)	Net Assets Per Share (Yen)
As of March 31, 2009	¥240,350	¥177,712	73.4 %	1,372.69
As of March 31, 2008	264,229	192,953	72.3	1,484.78

(Note) Net worth ratio is defined as net worth divided by total assets. Net worth consists of shareholders' equity and adjustment/valuation items in net assets.

Net worth	*As of March 31, 2009:*	*¥176,533 million*
	As of March 31, 2008:	*190,953 million*

(3) Consolidated Cash Flows

Year ended March 31 (Millions of Yen)	Net Cash Provided by Operating Activities	Net Cash Used in Investing Activities	Net Cash Provided by (Used in) Financing Activities	Cash and Cash Equivalents, End of Year
2009	¥25,192	¥(19,078)	¥11,030	¥64,130
2008	19,381	(32,354)	(29,975)	49,810

2. Dividends

	Dividend Per Share (Yen)				
	First Quarter end as of June 30	Second Quarter end as of September 30	Third Quarter end as of March 31	Year end	Total
2008 (Actual)	―	18.00	―	18.00	36.00
2009 (Actual)	―	12.00	―	8.00	20.00
2010 (Projected)	―	7.50	―	7.50	15.00

	Total Amount of Dividends for the year (Millions of Yen)	Payment Ratio (Consolidated)	Cash Dividends / Net Assets
2008 (Actual)	4,675	25.8%	2.5%
2009 (Actual)	2,572	213.7%	1.4%
2010 (Projected)	n/a	―	n/a

3. Consolidated Segment Information

(1) Business segment

	Sales (Millions of Yen)		Operating Income (Loss) (Millions of Yen)	
Year ended March 31	2009	2008	2009	2008
Industrial Equipment-Related Business	144,336	168,286	19,934	36,282
Transportation Equipment-Related Business	34,932	40,422	(4,526)	(2,220)
Corporate/Elimination	―	―	(6,885)	(7,124)
Consolidated	179,269	208,708	8,523	26,937

(2) Geographical segment

	Sales (Millions of Yen)		Operating Income (Loss) (Millions of Yen)	
Year ended March 31	2009	2008	2009	2008
Japan	161,227	180,322	13,652	27,909
The Americas	23,977	25,531	1,352	1,439
Europe	24,962	25,524	1,048	3,492
Asia and other	20,355	14,557	321	1,296
Corporate/Elimination	(51,253)	(37,227)	(7,851)	(7,199)
Consolidated	179,269	208,708	8,523	26,937

(3) Overseas sales

Year ended March 31	2009 Millions of Yen	%	2008 Millions of Yen	%
The Americas	23,266	13.0	26,000	12.5
Europe	24,915	13.9	25,236	12.1
Asia and other	21,520	12.0	21,150	10.1
Total	69,702	38.9	72,387	34.7
Consolidated	179,269	100.0	208,708	100.0

4. Forecasts for the year ending March 31, 2010 (April 1, 2009 to March 31, 2010)

	Net Sales (Millions of Yen)	Operating Income (Loss) (Millions of Yen)	Ordinary Income (Loss) (Millions of Yen)	Net Income (Loss) (Millions of Yen)	Net Income (Loss) per Share（Yen）
Second Quarter ending September 30, 2009					
(amount)	¥48,000	¥(10,000)	¥(9,300)	¥(9,500)	¥(73.87)
(percentage)	(54.6)%	－%	－%	－%	n/a

	Net Sales (Millions of Yen)	Operating Income (Loss) (Millions of Yen)	Ordinary Income (Loss) (Millions of Yen)	Net Income (Loss) (Millions of Yen)	Net Income (Loss) per Share（Yen）
Year ending March 31, 2010					
(amount)	¥110,000	¥(15,000)	¥(14,300)	¥(14,500)	¥(112.75)
(percentage)	(38.6)%	－%	－%	－%	n/a

(Note) The above forecasts are based upon the information currently available at the time of the announcement of this report. Actual performance may differ from the estimates due to various unforeseen factors.

5. Other Financial Information

(1) Significant change in scope of consolidation: None

(2) Changes in accounting policy/treatment/presentation manner due to:

a. Changes in accounting standards — Please refer to “6. Accounting Changes”
b. Other changes — Please refer to “6. Accounting Changes”

(3) Number of shares

		(shares)
a. Common stock issued, including treasury stock, as of:	March 31, 2009	133,856,903
	March 31, 2008	133,856,903
b. Treasury stock as of:	March 31, 2009	5,252,712
	March 31, 2008	5,249,554

6. Accounting Changes

(1) Prior to April 1, 2008, inventories had been stated at cost, determined principally by the cost method. On July 5, 2006, the ASBJ issued ASBJ Statement No. 9, "Accounting Standard for Measurement of Inventories," which is effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted. This standard requires that inventories held for sale in the ordinary course of business be measured at the lower of cost or net selling value, which is defined as the selling price less additional estimated manufacturing costs and estimated direct selling expenses.

The Company adopted the new accounting standard for measurement of inventories as of April 1, 2008. The effect of adopting this accounting standard was to decrease gross profit, operating income, ordinary income, and income before income taxes and minority interests for the year ended March 31, 2009 by ¥698 million.

(2) Prior to April 1, 2008, under Japanese accounting standards, a company could use the financial statements of its foreign subsidiaries which had been prepared in accordance with generally accepted accounting principles in their respective jurisdictions for its consolidation process unless they were clearly unreasonable. On May 17, 2006, the ASBJ issued ASBJ Practical Issues Task Force No. 18, "Practical Solution on Unification of Accounting Policies Applied to Foreign Subsidiaries for the Consolidated Financial Statements." The new standard prescribes: (1) the accounting policies and procedures applied to a parent company and its subsidiaries for similar transactions and events under similar circumstances should in principle be unified for the preparation of the consolidated financial statements, (2) financial statements prepared by foreign subsidiaries in accordance with either International Financial Reporting Standards or the generally accepted accounting principles in the United States tentatively may be used for the consolidation process, (3) however, the following items should be adjusted in the consolidation process so that net income is accounted for in accordance with Japanese accounting standards unless they are immaterial;

(a) Amortization of goodwill
(b) Actuarial gains and losses of defined benefit plans recognized outside profit or loss
(c) Capitalization of intangible assets arising from development phases
(d) Fair value measurement of investment properties, and the revaluation model for property, plant and equipment, and intangible assets
(e) Retrospective application when accounting policies are changed
(f) Accounting for net income attributable to a minority interest

The new task force is effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted. The Company adopted the new accounting standard as of April 1, 2008. This accounting change did not have a material effect on the accompanying consolidated statements of income. However, ¥73 million was added up to the beginning balance of retained earnings as of April 1, 2008 due to effect of this accounting change.

(3) On March 30, 2007, the ASBJ issued ASBJ Statement No. 13, "Accounting Standard for Lease Transactions," which revised the existing accounting standard for lease transactions issued on June 17, 1993. The revised accounting standard for lease transactions is effective for fiscal years beginning on or after April 1, 2008 with early adoption permitted.

Under the existing accounting standard, finance leases that deem to transfer ownership of the leased property to the lessee are to be capitalized. However, other finance leases are permitted to be accounted for as operating lease transactions if certain "as if capitalized" information is disclosed in the notes to the lessee's financial statements. The revised accounting standard requires that all finance lease transactions be capitalized recognizing lease assets and lease obligations in the balance sheet.

The Company adopted this revised accounting standard as of April 1, 2008. This accounting change did not have a material effect on the accompanying consolidated statements of income. Depreciation of lease assets of the Company is computed by the straight-line method over the leasing period with no residual value.

For reference: Outline of non-consolidated financial statements

1. Non-Consolidated operating results and financial position as of and for the year ended March 31, 2009 (April 1, 2008 to March 31, 2009) are as follows:

(1) Operating Results

Year Ended March 31 (Millions of Yen)	Net Sales		Operating Income		Ordinary Income		Net Income	
2009	¥112,519	(20.4) %	¥8,142	(62.9) %	¥7,447	(70.2) %	¥3,261	(82.7) %
2008	141,275	(1.8)	21,929	(23.5)	24,988	(18.4)	18,819	4.6

Year Ended March 31 (Yen)	Net Income Per Share-Basic	Net Income Per Share-Diluted
2009	¥23.51	¥ －
2008	143.31	142.49

(2) Financial Position

	Total Assets (Millions of Yen)	Net Assets (Millions of Yen)	Net Worth Ratio (%)	Net Assets Per Share (Yen)
As of March 31, 2009	¥222,076	¥176,677	79.6 %	1,373.77
As of March 31, 2008	226,072	177,582	78.6	1,380.78

(Note) Net worth ratio is defined as net worth divided by total assets. Net worth consists of shareholders' equity and adjustment/valuation items in net assets.

Net worth	*As of March 31, 2009:*	*¥176,677 million*
	As of March 31, 2008:	*177,582 million*

2. Non-Consolidated forecasts for the year ending March 31, 2010 (April 1, 2009 to March 31, 2010)

	Net Sales (Millions of Yen)	Operating Income (Loss) (Millions of Yen)	Ordinary Income (Loss) (Millions of Yen)	Net Income (Loss) (Millions of Yen)	Net Income (Loss) per Share（Yen）
Second Quarter ending September 30, 2009					
(amount)	¥25,000	¥(5,200)	¥(5,200)	¥(5,400)	¥(42.00)
(percentage)	(65.3)%	－%	－%	－%	n/a

	Net Sales (Millions of Yen)	Operating Income (Loss) (Millions of Yen)	Ordinary Income (Loss) (Millions of Yen)	Net Income (Loss) (Millions of Yen)	Net Income (Loss) per Share（Yen）
Year ending March 31, 2010					
(amount)	¥60,000	¥(7,200)	¥(7,200)	¥(7,500)	¥(58.32)
(percentage)	(46.7)%	－%	－%	－%	n/a

(Note) The above forecasts are based upon the information currently available at the time of the announcement of this report. Actual performance may differ from the estimates due to various unforeseen factors.

Management's Discussion and Analysis

1. Operating results (From April 1, 2008 to March 31, 2009)

(1) Summary of Overall Performance

From the onset of this consolidated fiscal year, the unstable financial market triggered by the subprime loan problem has caused the mood of slowdown to spread across the world economies. The financial anxiety, which was amplified by the failure of U.S. major financial institutions, rippled across the real economy in the latter half of the fiscal year. In Japan, exports and capital investments, which saw a steady growth up until the crisis, decreased causing its economy to fall into a recession. In the overseas economies, emerging countries that had been experiencing growth such as China have also turned downward along with developed countries.

Under these circumstances, the THK group has made continuous efforts to strengthen its structure to be able to expand its business performance stably over a long-term, while mitigating business risks such as external environment changes by enlarging its business areas through initiatives as “Full-scale Globalization” and “development into new business areas”. However, as a result of the decline in market demands caused by changes in the external environment beyond those anticipated, net sales for this consolidated fiscal year stood at ¥179,269 million, a decrease of ¥29,439 million or 14.1% as compared to the previous consolidated fiscal year.

On the cost front, the THK group made continuous efforts to enhance its productivity such as raw materials’ yield percentage improvement and production lead-time reduction as well as to reduce costs by reviewing operating hours. The cost to sales ratio, however, rose 5.6% from a year earlier to 73.0% due to higher raw material prices and to decreasing sales triggered by the drastic changes in the external economic environment in the latter half of the consolidated fiscal year.

Selling, general and administrative expenses went down ¥1,297 million from the previous consolidated fiscal year mainly due to reduced bonuses to directors and corporate auditors, decreases in salaries brought about by adjusting the working hours, and decreases in logistics expenses as a result of declined sales. The ratio to net sales, however, rose 2.5% from a year earlier to 22.2% due to the decrease in sales.

As a result, operating income decreased by ¥18,414 million (68.4%) to ¥8,523 million and its ratio to net sales dropped by 8.1% from a year earlier to 4.8%.

Non-operating income stood at ¥2,754 million generated by interest and dividend income as well as by amortization of negative goodwill, while non-operating expenses amounted to ¥2,948 million due mainly to foreign exchange losses. As a result, the net non-operating expenses stood at ¥193 million. Ordinary income was ¥8,329 million, decreased by ¥18, 697 million (69.2%) from the previous consolidated fiscal year. Net income for this fiscal year stood at ¥1,204 million, decreased by ¥17,119 million (93.4%) from a year earlier, because of additional losses and expenses incurred such as a partial reversal of deferred tax assets.

(2) Business Segment Information

The summary of business segment information is given below.

Industrial Equipment-Related Business

In Japan, sales to the general machinery and the flat panel industries remained strong in the first half of the fiscal year as a result of the efforts made to cultivate new customers as well as to expand transaction with existing customers. In the latter half of the fiscal year, however, the overall demand sharply declined. In the Americas, the adjustment phase has continued overall in the general machinery and the electronics industries since the first half of the fiscal year. In Europe, sales grew mainly in those to the general machinery and the machine tool industries in the first half of the fiscal year helped by an increased demand for machinery. In Asia and others, sales to the machine tool industry in China and Taiwan and the flat panel industry in South Korea increased in the first half of the fiscal year. In the latter half of the fiscal year, however, the overall demand in the overseas regions rapidly deteriorated.

As a result, net sales and operating income for this consolidated fiscal year decreased ¥23,950 million and ¥16,348 million from a year earlier to ¥144,336 million and ¥19,934 million, respectively.

Transportation Equipment-Related Business

The car production saw a steady increase in Japan and Europe while it declined in the Americas for the first half of this fiscal year, and it declined among all the countries for the latter half. Under these circumstances, despite our continuous efforts to develop new customers as well as to expand trade with existing customers, net sales decreased ¥5,489 million from the previous consolidated fiscal year to ¥34,932 million. In addition, despite our continuous effort to cut costs, operating loss was ¥4,526 million due mainly to the rapid deterioration of demands as well as to the amortization of goodwill.

(3) Geographical Segment Information

The summary of geographical segment information is given below.

Japan

In spite of slowing capital investments and production activities of enterprises, sales to the general machinery and the flat panel display industries remained steady in Japan during the first half of the fiscal year as a result of our efforts to cultivate new customers as well as to expand business transactions with existing customers. However, net sales to customers decreased ¥30,463 million from the previous consolidated fiscal year to ¥115,281 million mainly due to the rapid decline in the overall demand in the latter half of the term. Despite our efforts to improve productivity as well as to reduce costs through reviewing operating hours, operating income also fell ¥14,256 million from a year earlier to ¥13,652 million due to the decline in sales.

The Americas

In the Americas, despite the efforts made by our sales division and production division for an integrated approach to cultivate new customers as well as to expand business transactions with existing customers, the electronics and the auto industries have continued to remain in an adjustment phase since the first half of the fiscal year, and market demands have rapidly declined overall towards the end of the fiscal year. The continued weakening dollar and rising yen have also contributed to the decreases in net sales to customers and operating income, which stood at ¥23,922 million and ¥1,352 million respectively, decreases of ¥1,550 million and ¥86 million from the previous consolidated fiscal year.

Europe

In Europe, as a result of taking sales/production integrated approach, business transactions for the transportation equipment industry expanded. However, net sales to customers decreased ¥539 million from the previous consolidated fiscal year to ¥24,887 million due mainly to the rapid decline in demands of the machine tool, the general machinery, and the electronics industries towards the end of the fiscal year, as well as to the effect of the continued rising yen. Operating income decreased ¥2,443 million from the previous consolidated fiscal year to ¥1,048 million due largely to the decrease in net sales and to the gain on refund of import tax which was recognized in the previous consolidated fiscal year.

Asia and others

In Asia and other areas, the machine tool industry in such countries as China and Taiwan, and the flat panel display industry in South Korea showed a steady growth during the first half of the fiscal year. In spite of the rapid deterioration of demands among the regions towards the end of the fiscal year, net sales to customers of Asia and other areas increased ¥3,113 million to ¥15,177 million from the previous consolidated fiscal year. Operating income decreased ¥975 million to ¥321 million from the previous consolidated fiscal year, which was mainly impacted by increasing fixed costs in China and the effect of rising yen in Taiwan.

(4) Forecasts for the fiscal year ending March 31, 2010

Because of the need to anticipate for an extremely adverse external environment for the current time being, net sales, operating loss, ordinary loss, and net loss for the consolidated fiscal year ending March 31, 2010 are expected to be ¥110,000 million, ¥15,000 million, ¥14,300 million, and ¥14,500 million respectively.

The outlook of the world economy remains in a state of extreme uncertainty with the deterioration in the real economy spreading beyond the U.S., Europe, and Japan to the emerging countries such as China. The THK group considers the current environment as a "survival stage" and will strive to minimize the cash out by undertaking intensive cash management while strengthening the business infrastructure in order to make strides in the coming "revival stage."

-Consolidated

	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)	Net Income (Loss)
Millions of Yen	¥110,000	¥(15,000)	¥(14,300)	¥(14,500)
Component ratio (%)	100.0%	(13.6)%	(13.0)%	(13.2)%
Fluctuation (%)	(38.6)%	－%	－%	－%

-Non consolidated

	Net Sales	Operating Income (Loss)	Ordinary Income (Loss)	Net Income (Loss)
Millions of Yen	¥60,000	¥(7,200)	¥(7,200)	¥(7,500)
Component ratio (%)	100.0%	(12.0)%	(12.0)%	(12.5)%
Fluctuation (%)	(46.7)%	－%	－%	－%

(Note) Average exchange rates assumed and used for above forecasts are as follows:

U.S.dollar 1=¥98.00 *Euro 1=¥120.00*

For reference: Cash Flow Indices

Year ended March 31	2006	2007	2008	2009
Net Worth / Total Assets (%)	68.9	71.1	72.3	73.4
Market Capitalization / Total Assets (%)	205.4	140.2	87.0	73.6
Interest-bearing Debt / Operating Cash Flow (years)	0.8	0.2	0.3	0.8
Operating Cash Flow / Interest Paid (times)	120.0	233.9	105.0	211.8

(Note 1) All indices are computed based on consolidated data.
(Note 2) Market capitalization equals the stock price at the end of year multiplied by the number of issued shares at the end of year.
(Note 3) Zero Coupon Convertible bonds are included in the interest-bearing debt.

Basic Policies Regarding Distribution of Profits and Dividends

Not only its basic policy which is to provide shareholders with stable and continuous dividends, THK CO., LTD. places priority on providing shareholders with proactive distribution of profit befitting operating results, simultaneously strengthening its financial soundness by securing internal reserve.

In accordance with these policies, the Company plans ¥8.00 per share for this year end dividends. As a result, cash dividends applicable for the year ended March 31, 2009 will be ¥20.00 per share, with the interim dividends of ¥12.00 per share. The Company also plans ¥15.00 per share in total (¥7.50 per share at the semiannual-end) for the year ending March 31, 2010.

Consolidated Financial Statements

Consolidated Balance Sheets

(Millions of Yen)

	Year End -Current Year As of March 31, 2009	Year End -Previous Year As of March 31, 2008
Assets		
Current assets:		
Cash and bank deposits	¥64,130	¥48,162
Accounts and notes receivable	36,808	65,353
Short-term investments in securities	—	1,648
Merchandise and finished goods	12,510	13,310
Work in process	4,421	5,842
Raw materials and supplies	10,204	10,162
Deferred tax assets	2,738	3,373
Short-term loans receivable	2,049	728
Other current assets	2,737	3,999
Less: Allowance for bad debts	(233)	(247)
Total current assets	135,368	152,333
Fixed assets:		
Property, plant and equipment:		
Buildings and structures	51,031	49,221
Accumulated depreciation	(23,654)	(22,547)
Buildings and structures-net	27,377	26,674
Machinery, equipment and vehicles	117,265	114,767
Accumulated depreciation	(79,687)	(76,797)
Machinery, equipment and vehicles-net	37,578	37,970
Land	12,962	13,143
Construction in progress	3,974	7,637
Other	13,692	12,910
Accumulated depreciation	(10,582)	(10,265)
Other-net	3,109	2,645
Total property, plant and equipment -net	85,001	88,070
Intangibles		
Goodwill	8,269	10,994
Other	1,140	818
Total intangibles	9,410	11,813
Investments and other		
Long-term investments in securities	4,280	5,418
Deferred tax assets	1,635	2,425
Other	5,081	4,504
Less: Allowance for bad debts	(427)	(336)
Total investments and other	10,570	12,012
Total fixed assets	104,982	111,896
Total assets	240,350	264,229

(Millions of Yen)

	Year End -Current Year As of March 31, 2009	Year End -Previous Year As of March 31, 2008
Liabilities		
Current liabilities :		
Accounts and notes payable	¥20,423	¥37,175
Current portion of bonds	—	5,000
Income taxes payable	363	1,494
Accrued bonuses to employees	1,716	2,703
Accrued bonuses to directors and corporate auditors	—	100
Other	11,337	15,069
Total current liabilities	33,841	61,542
Long-term liabilities :		
Long-term bank loans	20,000	—
Deferred tax liabilities	2,809	3,450
Reserve for employees' retirement benefits	4,322	3,995
Reserve for retirement benefits for directors and corporate auditors	125	112
Reserve for product warranty	118	154
Negative goodwill	324	972
Other	1,096	1,049
Total long-term liabilities	28,796	9,733
Total liabilities	62,637	71,276
Net assets		
Shareholders' equity :		
Common stock	34,606	34,606
Additional paid-in capital	44,342	44,343
Retained earnings	114,998	117,578
Treasury stock	(11,351)	(11,347)
Total shareholders' equity	182,595	185,181
Valuation and adjustments :		
Net unrealized gain on other securities	144	469
Foreign currency translation adjustments	(6,205)	5,302
Total valuation and adjustments	(6,061)	5,772
Minority Interests	1,179	1,999
Total net assets	177,712	192,953
Total liabilities and net assets	240,350	264,229

Consolidated Statements of Income

(Millions of Yen)

	Year Ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	Year Ended March 31, 2008 (From April 1, 2007 to March 31, 2008)
Net sales	¥179,269	¥208,708
Cost of sales	130,928	140,655
Gross profit	48,340	68,052
Selling, general and administrative expenses:		
Freight expenses	4,393	4,662
Advertisement expenses	1,495	1,250
Provision for bad debts	177	77
Salaries and benefits	12,017	12,356
Provision for bonuses	627	955
Provision for bonuses to directors and corporate auditors	—	100
Net periodic retirement costs	353	300
Rent expenses	2,254	2,338
Depreciation and amortization	1,008	943
Research and development	3,046	2,959
Amortization of goodwill	2,727	2,754
Other	11,716	12,415
Total selling, general and administrative expenses	39,817	41,115
Operating income	8,523	26,937
Non-operating income:		
Interest income	494	887
Dividend income	64	46
Amortization of negative goodwill	1,063	648
Equity earnings of affiliates	—	197
Rent income	254	240
Other	878	739
Total non-operating income	2,754	2,758
Non-operating expense:		
Interest expenses	118	184
Commissions and fees	41	66
Foreign exchange loss	2,431	2,287
Equity losses of affiliates	45	—
Other	310	131
Total non-operating expenses	2,948	2,669
Ordinary income	8,329	27,026

	Year Ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	Year Ended March 31, 2008 (From April 1, 2007 to March 31, 2008)
Extraordinary gain :		
Gain on sales of property, plant and equipment	¥68	¥62
Cancellation return of insurance contracts	—	62
Other	4	5
Total extraordinary gain	72	130
Extraordinary losses :		
Loss on sales of property, plant and equipment	34	38
Loss on disposal of property, plant and equipment	198	208
Loss on sale of investments in securities	21	—
Loss on write-down of investments in securities	757	10
Loss on impairment	933	136
Bank loan repayment-related expenses	—	62
Other	171	0
Total extraordinary losses	2,118	455
Income before income tax and minority interests	6,284	26,701
Income taxes-current	3,805	7,636
Income taxes-deferred	1,123	552
Total income taxes	4,928	8,188
Minority interests	151	188
Net income	1,204	18,323

Consolidated Statements of Changes in Net Assets

(Millions of Yen)

	Year Ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	Year Ended March 31, 2008 (From April 1, 2007 to March 31, 2008)
Shareholders' equity		
Common stock		
Beginning balance	¥34,606	¥33,916
Change in the year:		
Issuance of new shares	—	690
Total change in the year	—	690
Ending balance	34,606	34,606
Additional paid-in capital		
Beginning balance	44,343	43,653
Change in the year:		
Issuance of new shares	—	690
Disposal of treasury shares	(0)	0
Total change in the year	(0)	690
Ending balance	44,342	44,343
Retained earnings		
Beginning balance	117,578	104,275
Change in the year:		
Dividends paid	(3,858)	(5,020)
Net income	1,204	18,323
Other	73	—
Total change in the year	(2,580)	13,303
Ending balance	114,998	117,578
Treasury stock		
Beginning balance	(11,347)	(63)
Change in the year:		
Purchase of treasury stocks	(6)	(11,284)
Disposal of treasury stocks	2	0
Total change in the year	(4)	(11,283)
Ending balance	(11,351)	(11,347)
Total shareholders' equity		
Beginning balance	185,181	181,781
Change in the year:		
Dividends paid	(3,858)	(5,020)
Issuance of new shares	—	1,380
Net income	1,204	18,323
Purchase of treasury stocks	(6)	(11,284)
Disposal of treasury stocks	1	0
Other	73	—
Total change in the year	(2,585)	3,399
Ending balance	182,595	185,181

	Year Ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	Year Ended March 31, 2008 (From April 1, 2007 to March 31, 2008)
Valuation and adjustments		
Unrealized gain (loss) on other securities		
Beginning balance	¥469	¥1,037
Net change in the year	(325)	(567)
Ending balance	144	469
Foreign currency translation adjustments		
Beginning balance	5,302	4,403
Net change in the year	(11,508)	898
Ending balance	(6,205)	5,302
Total Valuation and adjustments		
Beginning balance	5,772	5,441
Net change in the year	(11,833)	331
Ending balance	(6,061)	5,772
Minority interests		
Beginning balance	1,999	1,816
Net change in the year	(820)	183
Ending balance	1,179	1,999
Total net assets		
Beginning balance	192,953	189,039
Change in the year:		
Dividends paid	(3,858)	(5,020)
Issuance of new shares	—	1,380
Net income	1,204	18,323
Purchase of treasury stocks	(6)	(11,284)
Disposal of treasury stocks	1	0
Other	73	—
Net changes in the items other than shareholders' equity	(12,654)	514
Total change in the year	(15,240)	3,913
Ending balance	177,712	192,953

Consolidated Statements of Cash Flows

(Millions of Yen)

	Year Ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	Year Ended March 31, 2008 (From April 1, 2007 to March 31, 2008)
Cash flows from operating activities:		
Income before income taxes and minority interests	¥6,284	¥26,701
Depreciation and amortization	10,636	10,138
Loss on impairment	933	136
Loss (gain) on sale/disposal of property, plant and equipment	164	184
Increase (decrease) in provisions	(610)	606
Interest and dividend income	(558)	(933)
Interest expenses	118	184
Foreign exchange loss (gain)	(390)	(587)
Equity in losses (earnings) of affiliates	45	(197)
Loss (gain) on sale of investments in securities	21	—
Loss (gain) on write-down of investments in securities	757	10
Amortization of goodwill	2,727	2,754
Amortization of negative goodwill	(1,063)	(648)
Decrease (increase) in trade receivables	26,169	485
Decrease (increase) in inventories	(836)	(1,566)
Increase (decrease) in trade payables	(13,388)	(2,402)
Other	(2,152)	(2,128)
Subtotal	28,860	32,737
Interest and dividend received	594	1,028
Interest paid	(135)	(188)
Income taxes paid	(4,126)	(14,196)
Net cash provided by (used in) operating activities	25,192	19,381
Cash flows from investing activities:		
Purchase of property, plant and equipment	(16,504)	(19,618)
Proceeds from sale of property, plant and equipment	90	78
Purchase of investments in securities	(1,077)	(637)
Proceeds from sale of investments in securities	27	19
Increase in loans receivable	(2,007)	(105)
Collection on loans	682	77
Purchase of investments in affiliates	—	(12,129)
Other	(289)	(37)
Cash flows provided by (used in) investing activities	(19,078)	(32,354)

	Year Ended March 31, 2009 (From April 1, 2008 to March 31, 2009)	Year Ended March 31, 2008 (From April 1, 2007 to March 31, 2008)
Cash flows from financing activities:		
Repayments of short-term bank loans	¥－	¥(500)
Repayments of long-term bank loans	－	(13,142)
Proceeds from long-term bank loans	20,000	－
Redemption of bonds	(5,000)	－
Dividends paid	(3,857)	(5,013)
Dividends paid to minority shareholders	(30)	(41)
Purchase of treasury stocks	(6)	(11,278)
Proceeds from sale of treasury stocks	1	0
Repayments of lease obligations	(76)	－
Other	－	(0)
Net cash provided by (used in) financing activities	11,030	(29,975)
Foreign currency translation adjustments on cash and cash equivalents	(2,825)	805
Net increase (decrease) in cash and cash equivalents	14,319	(42,142)
Cash and cash equivalents, beginning of the year	49,810	91,953
Cash and cash equivalents, end of the year	64,130	49,810

Additional notes:

Going concern issues: Not applicable.

Appointment / resignation of directors and/or corporate auditors
(Scheduled effective date: June 20, 2009)

1、 Directors to be newly nominated

Name	Current position	Scheduled position in the THK Group
Junji Shimomaki	Manager of Sales Division -the second section of East-Japan area	General Manager of Sales Division
Takanobu Hoshino	President and Representative Director of three subsidiaries: DAITO SEIKI CO., LTD. Beldex Corporation S・Factory CO., LTD.	General Manager of IMT Division
Kaoru Hoshide	General Manager of CAP Project	General Manager of Engineering Division

2、 Directors to retire

Name	Current position	Scheduled position in the THK Group after retirement
Hiroshi Funahashi	General Manager of Engineering Division	Advisor
Hirohisa Murase	General Manager of Sales Division	—
Hidekazu Michioka	Deputy General Manager of Sales Division	Advisor

Other Information

All the figures in this report except per share information are rounded down to the nearest million.

This information is summarized and translated from the original Japanese version submitted to the Tokyo Securities Exchange in accordance with its disclosure rules and presentation manners, which are different from those applied in the annual reports of the Company due to reclassification and rearrangement made therein. This English translation is intended solely for the convenience of readers, and not intended in any way to substitute or replace the original Japanese version. If there is any discrepancy between the original Japanese version and this translation, the original Japanese version shall supersede all information in this translation. All the figures in this report are unaudited.